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SUBJECT: SOUTHERN SERBIA UPDATE

11. (SBU) Summary: During a trip to Presevo and Bujanovac on June 19-20, poloff and polspec met with political leaders and various contacts from NGOs, the media and the Orthodox Church. In general, the region is currently acceptably calm and secure. Our contacts confirmed that the protest on June 15 advocating secession from Serbia was a failure, reflecting that most of the Valley's inhabitants do not think separating or using force are viable strategies for achieving their vision of the futures. Politically, the region remains adrift with both municipalities wracked with internal divisions (often intra-party disputes) and competing strategies on how react to the two main local pressures: dissatisfaction with Belgrade and Kosovo final status. End Summary.

## The factors

- 12. (SBU) Kosovo: President Bush's statements in Tirana and Sofia still resonate throughout the Presevo Valley, with various leaders telling us the affirmation of the USG's support for Kosovo's independence "lowered the temperature" considerably in the region. Media contacts told us that prior to the President's statement; tensions had been much higher due to the talk of status delay at the G8 as well as the Sarkozy proposal. Presevo Valley Albanians seem content to take the President's statement as a fiat and not worry further for now. While there are rumors that Albin Kurti's "Self-determination" movement may have some contacts (probably through family ties) in the Valley, there is nothing close to grassroots support.
- 13. (SBU) Belgrade: In general, Presevo Valley Albanians continue to support their MP, Riza Halimi, in his efforts to advance their interests in Belgrade. The perception of Belgrade's interest in engaging with the region, however, is that the capital is steadily losing interest. Albanian leaders complain of the increasing dysfunctionality of the GOS Coordinating Body for Southern Serbia (CB) and rumors of a cut in budgeted funds from Belgrade for next year. In our assessment, Belgrade has actually performed moderately well in terms of investment over the last few years (although we agree that a cut in funding would be a clear step in the wrong direction). Belgrade has abjectly failed to capitalize on any of its development assistance to the municipalities, probably another symptom of the lack of any clear leadership atop the CB. Rasim Ljalic is technically still in charge, and Nenad Popovic is apparently still involved with the CB's Economic Team for Southern Serbia. Hardly anyone in southern Serbia -- Albanian or Serb -- has high expectations for a revitalized CB or senior-level engagement in the region.
- 14. (SBU) Internal politics: In both Bujanovac and Presevo, the parties continue to cope with the fragile majorities handed to them in last June's municipal elections. In the case of Bujanovac, the assembly is essentially frozen in place after the division and walkout of one of the coalition parties (see LPD below). The stasis in Bujanovac is actually a good thing -- the local government came

to a halt before the Serbs in civic positions could be replaced (as was demanded by the hardline Albanian parties in the governing coalition), so Bujanovac remains with multi-ethnic appointments rather by accident. In Presevo, most of the internal concerns are limited to Mustafa's intra-party struggles (see PDSh below) with most of the party supportive of Mustafa's anti-engagement stance and the rest considering a split for the next elections. Interestingly, Mustafa has a very good relationship with Presevo CB representative Branko Delibasic, both of whom seem to have struck a mutually beneficial relationship: Mustafa keeps things relatively calm and tries to dissuade separatists while Delibasic can claim to the international community that all is well in Presevo. Delibasic showed that he has not remained above the fray of local political/personal politics by questioning the Embassy's suspension of contact with Mustafa, while disparaging MP Halimi has "not having too much support" in Presevo.

## The players

15. (SBU) Party of Democratic Action -- PVD (Bujanovac Mayor Arifi, MP Riza Halimi): Mayor Nagip Arifi remains understandably fixated on the aftermath of a bomb attack on his family home on June 1. He continues to harbor reservations about whether the local police are doing their job, and is even suspicious that they were involved. Without doubt, this is a serious matter, but it does not seem like anything terribly amiss for now. Arifi was out of the country at the time of the attack and there are questions as to why his family waited almost a day to report the event. Still, we have reassured Arifi that we will monitor the situation and understand from him that he will not abandon any of the courageous stands he and his party have taken regarding engagement with Belgrade, supporting election participation and promoting multi-ethnic representation from the Serb community in Bujanovac. We also met with Shaip Kamberi, who heads a human rights NGO and is a serious contender

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within the PVD for a leadership role and/or Mayor. He has stepped aside (twice) for Arifi, and in our analysis, has more political savvy, expertise on issues, and ability to work effectively with Belgrade and the international community. Nevertheless, a power struggle between Arifi and Kamberi would result with serious crisis within the PVD. Halimi is close to both, and it might come down to his intervention -- and he might be inclined to give Kamberi his shot at last.

- 16. (SBU) PDSh (Presevo Mayor Mustafa): Our policy of non-engagement with Mustafa appears to be having a clear effect. In his most recent party elections, former Presevo assembly Speaker Naser Aziri ran against Mustafa on the platform that Mustafa's alienation of the international community -- the US in particular -- was too costly and damaging for the party. Mustafa defeated Aziri 98-57, but many local contacts agree with Aziri's assessment that Mustafa leveraged financial resources from his backers (notably a Gnjilan-based juice factory) to sway votes with cash. Nevertheless, Aziri told us that he will make another push for the party to change its policy before the next elections, and if it doesn't he will split from the party and run. We reaffirmed our policy to work with any party that supports Contact Group principles, but also stressed that there can be no change in the Embassy's dealings with the PDSh while Mustafa remains in charge and against those same principles.
- 17. (SBU) LPD (Bujanovac Deputy Mayor Jonuz Musliu): It is hard to say whether it is because of our non-engagement policy, but Musliu's LPD party is simply falling apart. Four of his nine MPs (out of 41) have walked out of the assembly, apparently no longer supportive of Musliu. Musliu and the LPD lack any political expertise (Musliu was previously headed the UCPMB's political wing) and their current collapse is likely more due to a lack of any real party management rather than a studied reconsideration by party factions of external factors like US Embassy policy.
- 18. (SBU) GOS Coordinating Body (Sima Gazikalovic in Bujanovac, Branko Delibasic in Presevo): To most observers the CB is going nowhere fast, but this actually seems to be largely the GOS' fault. The CB has actually poured a considerable amount of funds into

developing the region, often in partnership with AID and the UK's DFID, but has not bothered to translate that into any successful PR campaign. For example, the CB (along with AID) contributed to a school in Bujanovac which, despite aspirations to the contrary, ended up a mono-ethnic Albanian school. The CB reacted strongly when others, like the municipal government and AID partners, were recognized for their contributions but not the GOS and CB. We pressed the Albanian leaders, including Arifi, to correct this (he regretted it too, casting blame on the school director), but at the same time it is clear the GOS simply cannot advertise the good it is doing. The inability is probably directly linked to the absence of leadership at the top of the organization, and lack of interest from top-level GOS officials to do anything about it.

- 19. (U) The media: Both Presevo and Bujanovac now have private TV stations -- TV ALDI in Presevo and TV SPEKTRI in Bujanovac -- to go with the two state run stations. The Serbian broadcasting authority will be determining who will receive the two licenses available (one for each municipality) and both private stations are concerned they may lose out to their state-run rivals.
- ¶10. (SBU) UCPMB veterans: The veterans of the defunct Liberation Army of Presevo, Medvedja and Bujanovac (UCPMB) have tried to make themselves political relevant again through protests and have thus far failed. They are currently marginalized because neither the politicians nor the citizens seem to want them involved in politics and do not see value (for now) in their message of unilateral separation from Serbia.

Comment

110. (SBU) The Valley is calm because there is a sense that the international community is committed to remaining involved in southern Serbia and that Kosovo will become independent soon (mostly because the USG has said it will). The UCPMB insurrection in 2001 showed that things can turn bad quickly in southern Serbia. For now, the failure of the veterans' protest shows that there is neither a spark nor fuel for instability. However, delay and lack of clarity on the next steps forward by the international community on Kosovo will lead to doubts among the inhabitants of the Valley about their own future. The moderates like Arifi, Halimi and others have held the line thus far on countering separatism, but the support for "eastern Kosovo" by political or militant means will increase as clarity decreases. Moreover, we have often counted on Kosovo leaders to calm tensions and call on Presevo Valley Albanians to constructively engage with Belgrade. If the status uncertainty drags on, we would expect them to be preoccupied with their own political futures, leaving them with scant resources or attention to bring to bear on destabilizing influences in southern Serbia. End

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